

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2001-209-C - ORDER NO. 2004-26
JANUARY 20, 2004

IN RE: Application of BellSouth Telecommunications,) ORDER SETTING
Inc. to Provide In-Region InterLATA Services) MATTER FOR ORAL
Pursuant to Section 271 of the) ARGUMENT
Telecommunications Act of 1996)

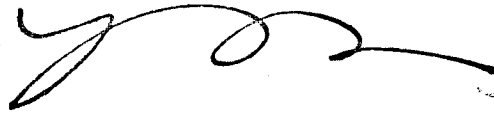
This matter comes before the Public Service Commission of South Carolina (the Commission) on the Motion of BellSouth Telecommunications, Inc. (BellSouth) to modify the Incentive Payment Plan (IPP) established by us previously in this Docket. In support of its Motion, BellSouth presented its reasoning as follows. On August 21, 2003, the Federal Communications Commission (FCC) released its *Report and Order and Order on Remand and further Notice of Proposed Rulemaking*, otherwise known as the "Triennial Order." This Order became effective October 2, 2003. Among the many findings in this Order by the FCC was the finding that line sharing is no longer an unbundled network element that incumbent LECs are required to offer pursuant to Section 251 of the Telecommunications Act of 1996. For this reason, BellSouth states its belief that it should be relieved of any further obligation to pay IPP penalties that relate to the provision of line sharing.

A response was filed regarding the BellSouth proposal, and a response to the original response was subsequently filed. Obviously there is a great difference of opinion on the merits of this proposal. Accordingly, oral arguments for all parties shall be

scheduled on this matter in the Commission hearing room, at such time as may be designated by the Commission Staff.

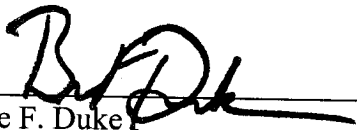
This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:



Mignon L. Clyburn
Chairman

ATTEST:



Bruce F. Duke
Executive Director

(SEAL)